

February 8, 2022

Testimony on Senate Bill 369
Income Tax - Return Preparation Assistance Program for Low-Income Families
Senate Budget and Taxation Committee

Position: Favorable

Maryland Nonprofits is a statewide association of more than 1300 nonprofit organizations and institutions. We urge you to support Senate Bill 369 to establish a program for tax return preparation assistance that would maximize participation of low-income families in the Earned Income Tax Credit.

The Earned Income Tax Credit (EITC) is one of the most powerful anti-poverty tools utilized by federal, state, and local governments. It has shown to substantially benefit women and communities of color and helps keep people engaged in the workforce. Right now, low-income workers are fighting to gain or maintain financial security while being taxed further into poverty. However, federal, state, and local governments have taken the opportunity to strengthen the EITC and deliver additional aid to millions of low-income workers.

Unfortunately in Maryland almost a quarter of eligible taxpayers are still not receiving this benefit, missing out on funds that could lift them out of poverty and provide additional money for things like groceries, housing expenses, childcare, and other necessities. A Return Preparation Assistance Program for Low-Income Families can help reach the most vulnerable families and ensure that families that missed out on the credit in past years are able to claim the credit.

We urge you to give Senate Bill 369 a favorable report